GOVERNMENT OF INDIA
CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION
LOK SABHA

STARRED QUESTION NO:222
ANSWERED ON:01.08.2017
Private Entrepreneurs Guarantee Scheme
Dhotre Shri Sanjay Shamrao;Shewale Shri Rahul Ramesh

Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:

(a) the salient features of the Private Entrepreneurs Guarantee (PEG) Scheme implemented by the Government in the country;
(b) whether the Government has allocated adequate funds for creating modern storage capacity in the country under the said scheme during each of the last three years and the current year;
(c) if so, the details thereof, State-wise and if not, the reasons therefor;
(d) whether the Government proposes to cover each State of the country under the said scheme so as to increase the modern storage capacity of foodgrains in the country and if so, the details thereof along with the present status of such proposal; and
(e) the other steps taken/being taken b

Answer

MINISTER OF CONSUMER AFFAIRS, FOOD & PUBLIC DISTRIBUTION
(SHRI RAMVILAS PASWAN)
(a)to (e): A statement is laid on the table of the House
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STATEMENT REFERRED TO IN REPLY TO PARTS (a) to (e) OF THE STARRED QUESTION NO. 222 DUE FOR ANSWER ON 1st AUGUST, 2017 IN THE LOK SABHA
(a): In order to augment the storage capacity in the country the Government formulated Private Entrepreneurs Guarantee (PEG) Scheme in the year 2008 & 2009 for construction of storage capacity through private entrepreneurs, Central Warehousing Corporation (CWC) and State Government Agencies. The salient features of PEG scheme are as given below:
â€¢ Investment and construction is done by the private investor/State Agencies. As return for investment, FCI guarantees hiring of the godown constructed by a private party for 10 years. The guarantee period for CWC/State Government Agencies is 9 years.
â€¢ The location and capacity for godowns are identified as per storage requirements by State Level Committees (SLC) and finally approved by the High Level Committee (HLC) headed by Chairman & Managing Director, FCI.
â€¢ Minimum capacity for a godown is 5,000 MT in plain areas and 1,670 MT in hilly areas. Godowns of 5,000 MT and above capacity should be preferably within 8 KMs of full rake capacity railway goods shed/procuring mandi. Godowns of 25,000 MT and above capacity should be preferably with Railway sidings. All godowns should be near National/State highways.
â€¢ The godown must be constructed as per the specifications stipulated by FCI. In addition to construction, the partner may also provide services like security and preservation if required by FCI.
â€¢ The period of construction normally allowed is one year for godowns without railway siding and two years for godowns with railway siding.
â€¢ Selection of the private party is done through open advertisement and two stage tendering process. The private party may be an individual or partnership firm or a company or trust, having ownership of land in the location where godown is to be constructed.
â€¢ A person holding land under Registered Lease for a minimum period of 13 years with permission to construct godown can also apply.
â€¢ A party, who does not own land, but intends to acquire the same within 120 days from the date of acceptance letter, can apply by furnishing an additional amount of Earnest Money Deposit (EMD) and a Supplementary Bank Guarantee @ Rs. 100.00 per MT.
...2/-
...2...
(b) & (c): Under PEG scheme, investment for construction of godowns is done by private parties, CWC, SWCs and other State agencies by arranging their own funds and land. No funds are allocated by the Government for construction of godowns.
(d): The PEG scheme is already implemented in 21 States as per assessment of requirement. In case of 2 States (Goa & Meghalaya), the implementation of the scheme has not been found feasible. In case of remaining States viz. Arunachal Pradesh, Nagaland, Mizoram, Manipur, Tripura and Sikkim the scheme has not been extended since godowns are being constructed under the Central Sector Scheme for "Construction of godowns for food storage with special focus on North East". The State-wise details of capacity sanctioned and completed as on 30.06.2017 are at Annexure-I.
(e): In addition to construction of godowns under PEG Scheme Government has taken following steps for augmentation and modernization of storage capacities across the country in order to ensure safe storage of foodgrains:
i. Central Sector Scheme: This scheme is focussed on the North Eastern States. Funds are released by the Government to FCI and also directly to the State Governments for construction of godowns. During 12th Five Year Plan, a capacity of 1,17,680 MT in North Eastern (NE) States and 20,000 MT in other than NE States has been completed by FCI. Further, a capacity of 46,495 MT has been created by State Governments.
ii. Construction of steel silos: Government of India has also approved action plan for construction of steel silos in the country for a capacity of 100 LMT in 3 phases. Against the target of 36.25 LMT for selection of silo operators in Phase−I, tenders have been awarded for 37.50 LMT. Further, 6.25 LMT silos have been added under the above action plan, in addition to 5.5 LMT silos already available with FCI. The State-wise details of construction of steel silos are at Annexure-II.
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ANNEXURE-I

ANNEXURE REFERRED TO IN REPLY TO PART (d) OF THE STARRED QUESTION NO. 222 DUE FOR ANSWER ON 1st AUGUST, 2017 IN THE LOK SABHA

STATEMENT SHOWING STATEWISE CAPACITY COMPLETED UNDER PEG SCHEME AS ON 30.06.2017

(figures in MT)

Sl. No.	State	Total capacity sanctioned	Total capacity already completed
1	Andhra Pradesh	1,12,800	87,800
2	Bihar	4,32,000	2,94,787
3	Chhattisgarh	5,42,230	5,37,230
4	Gujarat	49,800	49,800
5	Haryana	34,99,489	34,49,959
6	Himachal Pradesh	1,24,200	24,170
7	Jammu & Kashmir	2,41,350	1,55,520
8	Jharkhand	3,48,000	1,28,000
9	Karnataka	2,41,440	2,41,440
10	Kerala	5,000	5,000
11	Madhya Pradesh	13,79,660	12,83,920
12	Maharashtra	5,64,527	5,64,527
13	Odisha	3,60,000	3,09,500
14	Punjab	44,93,365	44,93,365
15	Rajasthan	2,35,000	2,20,000
16	Tamilnadu	2,65,000	

2,00,000
17
Telengana
3,19,000
2,69,000
18
Uttar Pradesh
15,26,127
13,73,127
19
Uttarakhand
10,000
0
20
West Bengal
2,85,180
1,64,090
21
Assam
25,000
0
Total
1,50,59,168
1,38,51,235
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ANNEXURE-II
ANNEXURE REFERRED TO IN REPLY TO PART (e) OF THE STARRED QUESTION NO. 222 DUE FOR ANSWER ON 1st AUGUST, 2017 IN THE LOK SABHA
STATEMENT SHOWING STATEWISE CAPACITY PLANNED AND COMPLETED FOR CONSTRUCTION OF STEEL SILOS AS ON 30.06.2017
(figures in LMT)
Sl. No.
State
Capacity planned
Capacity for which silo operators selected
Capacity for which work completed
1
Andhra Pradesh
3.50
0.00
0.00
2
Assam
0.50
0.50
0.00
3
Bihar
9.50
1.50
0.00
4
Chhattisgarh
1.00
0.00
0.00
5
Delhi
1.00
0.50
0.00
6
Gujarat
3.00
1.00
0.00
7
Haryana
9.50
3.00
0.00

8
Karnataka
0.25
0.25
0.00
9
Madhya Pradesh
10.00
4.50
4.50
10
Maharashtra
1.50
0.00
0.00
11
Odisha
2.00
0.00
0.00
12
Punjab
31.00
21.25
1.75
13
Rajasthan
6.25
0.00
0.00
14
Telengana
1.50
0.00
0.00
15
Uttar Pradesh
12.00
3.00
0.00
16
West Bengal
7.50
2.00
0.00
Total
100.00
37.50
6.25
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